GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1932
ANSWERED ON:09.03.2001
ASSISTANCE GIVEN TO UTTAR PRADESH
JAI PRAKASH

Will the Minister of FINANCE be pleased to state:

(a) the total amount of assistance made available to various States particularly to Uttar Pradeshduring last two years and in the current year, till date in the form of various Central grants in aid special assistance and loans;

(b) whether the State Government of U.P. faced some economic crisis;

(c) if so, the reasons therefor;

(d) whether the State Government utilises the grants-in-aid provided by the Union Government for purposes other than for which they are provided;

(e) if so, the details and reasons thereof;

(f) the steps taken to ensure the appropriate utilisation of Central funds; and

(g) the amount of funds for which the utilisation certificate is yet to be submitted by the State Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): Central Assistance under various items is released to all the States including Uttar Pradeshfor the States` annual plans in the shape of Block Grants and Block Loans.

Also, grants, as recommended by the Tenth Finance Commission(TFC)/Eleventh Finance Commission(EFC), are released to all the States including Uttar Pradesh.

The total amount of Central Assistance released to all the States and to Uttar Pradesh during thelast two years 1998-99 and 1999-2000 and in the current financial year 2000-01(till date) is as under:

(Rs. in crore)

	1998-99	1999-00	2000-01 (till date)
All States	26659.42	30633.75	26103.84
Uttar Pradesh	3191.12	3808.27	4141.24

The total amount of TFC/EFC grants released to all the States and to Uttar Pradeshduring the last two years 1998-99 and 1999-2000 and in the current financial year 2000-01(till date) are as under:

(Rs. in crore)

1998-99	1999-00	2000-01 (till date)

All States	2720.63	4347.19	11316.59
Uttar Pradesh	543.69	250.21	1096.22

(b) & (c): The State Government of Uttar Pradesh hasbeen facing ways and means problem due to temporary mismatch between their receipts and expenditure. The Central Government has been helping the State to comeout of the overdraft in their account with the RBI by making advance releases against their entitlements and other feasible measures.

(d) to (g): The State Governments are accountable totheir State Legislatures for proper utilisation offunds through the State Audit Reports prepared bythe CAG of India under Article 151(2) of theConstitution. However, if there is shortfall in plan expenditure as against approved/revised plan outlay, a proportionate cut is made from the Central Assistance released to the States.